

Kirkpatrick & Lockhart Nicholson Graham LLP

August 21, 2006

Via Hand Delivery

The Honorable Vernon A. Williams Secretary Surface Transportation Board 1925 K Street, NW

Washington, DC 20423

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1601 K Street, N.W. Washington, DC 20006-1600 202.778.9000 Fax 202,778,9100 www.klng.com

Edward J. Fishman 202.778.9456 Fax: 202.778.9100

efishman@klng.com

Re:

Docket No.

Petition of Albemarle Corporation for Emergency Service Order and Petition of Albemarle Corporation for Immediate Relief Under 49 U.S.C. § 721(b)(4)

Dear Secretary Williams:

The Louisiana and North West Railroad Company ("LNW"), through the undersigned counsel, received a copy late Friday evening of the Petition for Emergency Service Order and the Petition for Immediate Relief filed on August 18 by Albemarle Corporation ("Albemarle"). After reviewing Albemarle's filings, LNW hereby notifies Albemarle and the Board that it stands ready, willing and able to provide intra-plant switching service to Albemarle at a rate of \$400 per car based on a minimum of 8 cars per day, 4 days a week. If Albemarle does not accept this rate arrangement, LNW will continue to provide linehaul service to the Albemarle plant but will no longer provide intra-plant switching service for Albemarle and will resist any attempt by Albemarle to force an unqualified third party contractor onto the LNW main line.

LNW strongly objects to the alternative service relief sought by Albemarle, which has arisen solely from Albemarle's refusal to pay a rate significantly lower than \$400 per car that has been offered by LNW for providing intra-plant switching of highly hazardous materials between storage tracks and the Albemarle facility. Albemarle's desire to pay an even lower switching fee does not justify the extraordinary, emergency relief that Albemarle seeks through its Petitions. See Keokuk Junction Railway Company - Alternative Rail Service - Line of Toledo, Peoria and Western Railway Company, STB Finance Docket No. 34397, slip. op. at 6 (STB served Oct. 31, 2003)(denying alternative service order because "[r]ate disputes do not constitute service disruptions or inadequacies within the meaning of 49 U.S.C. 11123"). Moreover, Albemarle does not and cannot claim that there has been any measurable deterioration in the adequacy of LNW's intra-plant switching service over an extended period of time.

LNW wants to continue its historical provision of all intra-plant switching for Albemarle, but cannot continue to do so at significantly below-market rates and without adequate liability protection from the potentially catastrophic risk that LNW exposes itself to on a regular when it

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switches cars between storage tracks located on LNW property and the Albemarle plant. LNW has made its latest proposal in a good faith effort to resolve the dispute between the parties over intra-plant switching rates, but without waiving its position that the Board does not have regulatory jurisdiction over such service and without waiving its right under 49 C.F.R. § 1146(B)(2) to file a reply in opposition to the Petitions by Friday, August 25 if Albemarle does not accept LNW's rate proposal in writing by Tuesday, August 22.'

Respectfully submitted,

Edward J. Fishman

Brendon P. Fowler

Attorneys for Louisiana and North West Railroad

Company

cc: Martin W. Bercovici, Esq. (via hand delivery)

Ouachita Railroad Company (via express mail)

Federal Railroad Administration (via overnight mail)